Small-time gold miners get fair trade seal of approval

Ethics

Maria Doulton on an initiative aimed at raising living standards for poor communities

We have got used to the taste of Fairtrade coffee, chocolate or sugar and know all the good reasons why we should buy it.

But on Valentine’s day this year, the Fairtrade Foundation’s product portfolio shot upmarket with the arrival of the first ever Fairtrade and Fairmined gold. Though the slab of gold was no bigger than a chocolate bar and fitted neatly into the palm of the hand, it offered an alternative to the way we buy gold.

The ingot of gold that has made history weighs about a kilo and, at the launch, was worth £25,000. It comes from the Cotapata mining co-operative in Bolivia, the first source of gold to receive the Fairtrade Foundation’s seal of approval.

The Fairtrade gold initiative is restricted to small-scale and artisanal miners who produce 200 to 300 tonnes of gold a year, although it accounts for 10 per cent of global gold supplies and 90 per cent of the labour.

Harriet Lamb, director of the foundation, said at the launch: “Giving gold jewellery is so much about love, romance and beauty but sadly all too often how conventional gold is mined is not a pretty story. All that is gold does not glitter. On the contrary, many of the estimated one million miners working in artisanal and small-scale mining too often still live in poverty. Too often they face serious injury and death and too often the small-scale miners are taken advantage of by unscrupulous middlemen.

“In the rush to meet demand, the price for this precious metal surges on the world markets, luring hundreds of thousands of workers to seek their fortunes in what is one of the most dangerous industries, and the Con动力 mine in Peru. Twenty five per cent of the gold will be sold, ensuring minimum ecological disruption. The premium will be invested in democratically agreed economic, social or environmental improvements of the miners’ choice.

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It was launched by Juana Peña Endara, from the Cotapata co-operative, and group will use the premium to buy new equipment. At his mine near the Yungas rainforest, miners work in shafts 500 metres deep and the enterprise supplies 88 families. The project was initiated by the ARM with nine groups in Bolivia, Colombia, Ecuador and Peru.

The Fairtrade Foundation says more groups from Latin America will join the system and that the ARM is also establishing a network of pilot projects in Africa, and later in Asia. To date, two mines are certified: Cotapata in Peru.

Pioneer Fairtrade jewellers include Stephen Webster, Cred and Pippa Small.

Fairtrade gold was on display on the red carpet at the Oscars.